

ELIZABETH A. CASANO

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EDUCATION

Ph.D., Economics, Boston University, Boston MA, May 2025 (expected)
Dissertation Title: *Essays in Macroeconomics*
Dissertation Committee: Stephen Terry, David Lagakos, and Pascual Restrepo

B.A., Economics, Northwestern University, Evanston, IL, 2013

FIELDS OF INTEREST

Macroeconomics, Labor Economics, Entrepreneurship

WORKING PAPERS

“Insurance vs. Redistribution in an Age of Inequality,” October 2024, Job Market Paper.

WORK IN PROGRESS

“Entrepreneurship and the Housing Market”

PRESENTATIONS

BU Macro Dissertation Workshop, Boston, MA, 2021, 2022, 2024

FELLOWSHIPS AND AWARDS

Graduate Student Fellowship, Fall 2018 - present

WORK EXPERIENCE

ACADEMIC

Research Assistant to Marianne Baxter, Boston University, Spring 2022
Research Assistant to Theresa Kuchler and Alexi Savov, NYU Stern School of Business,
September 2016 - May 2018
Research Assistant to Seema Jayachandran, Northwestern University, Spring 2013

NON-ACADEMIC

Associate, The Moran Company, Arlington, VA, January 2016 - August 2016
Research Assistant, The Moran Company, Arlington, VA, August 2013 - December 2015

TEACHING EXPERIENCE

Teaching Assistant, Monetary and Banking Theory, Department of Economics, Boston
University, Fall 2024
Teaching Fellow, Introductory Macroeconomic Analysis, Department of Economics, Boston
University, Fall 2019 - Fall 2021 (five semesters), Fall 2023, Spring 2024

LANGUAGE: English (native)

COMPUTER SKILLS: STATA, MATLAB, R, LaTeX

CITIZENSHIP: USA

REFERENCES

Professor Stephen Terry
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University of Michigan
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Professor David Lagakos
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Insurance vs. Redistribution in an Age of Inequality (Job Market Paper) Provided that individual labor income reflects both idiosyncratic shocks and permanent heterogeneity, what is the value of insurance to a utilitarian social planner, and what is the value of redistribution? To address these questions, I use longitudinal earnings data from the PSID to calibrate a parsimonious earnings process which matches both idiosyncratic volatility (risk) and the dispersion of individual fixed effects (inequality) in the data. I then embed this process in a canonical heterogeneous agent incomplete markets model and use it as a laboratory for steady-state counterfactual analysis and policy experiments. There are two main takeaways: (1) The utilitarian planner overestimates the welfare gains (in terms of consumption-equivalent variation) from public insurance by about 40% when he incorrectly attributes all cross-sectional earnings dispersion to risk. (2) After accounting for inequality, redistribution strictly dominates insurance, and is itself strictly dominated by a third policy which elicits redistribution under the guise of insurance. Relating these results to real-world programs, such as unemployment insurance, Head Start, and the Earned Income Tax Credit, suggests directions of prioritization for policymakers.